Use of Oil Cess

525. SHRI DIPANKAR MUKHERJEE:
SHRI KHAGEN DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news item titled "Oil cess may not be used exclusive for highway" which appeared in 'Business Standard' dated 7.2.2000;

(b) if so, the collection against cess on petrol levied in 1998 and the cess on diesel in 1999; and

(c) entitled allocation as per the budget statement of 1999 of States, Railways and Central Highways?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) Yes, Sir.

(b) and (c) The estimated collection of Additional duty of Excise and Customs on Motor Spirit and High Speed Diesel Oil is Rs. 850 crore and Rs. 4500 crore, respectively during the current year. The details of allocation are being placed today before the House as part of Budget 2000-01.

SEBI investigation into Price Rigging

526. SHRI NAGENDRA NATH OJHA:
SHRI JALALUDIN ANSARI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the SEBI investigation into the price rigging of BPL, Sterlite and Videocon has showed that the promoters were involved with Harshad Mehta; and

(b) if so, the details thereof and what action was taken on the basis of the findings of SEBI investigations?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) and (b) investigations were undertaken by SEBI in the wake of abnormal trading in the

scrips of BPL, Sterlite and Videocon during April-May 1998 and the likelihood of sudden payment crisis at the two major exchanges, BSE and NSE, in June 1998. Investigation *prima facie* concluded that a set of stock brokers and sub-brokers acting in concert on behalf of common clients, cornered a large chunk of shares at BSE and NSE. These set of clients were acting as a front for Harshad Mehta. As a result of findings of investigations, enquiry proceedings were initiated under SEBI Regulations against 34 stock brokers and orders were passed against 18 brokers, prohibiting them from undertaking fresh activity as brokers till completion of the enquiry proceedings. Show cause notices were issued to the President, Vice President and the Executive Director of BSE for their failure to discharge their responsibilities and for their conduct which was detrimental to the integrity of the system. Show cause notice was also issued to NSE for slackness in monitoring and not taking effective surveillance action. Consequent to findings of investigations and show cause notices, SEBI has passed orders against the President, BSE asking him to relinquish the office of the President. SEBI had also directed that the President and the Executive Director of BSE shall not be eligible to hold any public position in future as member of the governing board as well as in capital market related public institutions for a period of 3 years. Proceedings against the Vice President of BSE and the NSE are underway. Investigations had also indicated that the companies BPL. Sterlite and Videocon had connived with Harshad Mehta in the price manipulation, following which show cause notices have been issued to Harshad Mehta and Directors of these companies. The investigations also brought out certain systemic deficiencies for which SEBI has taken appropriate steps.

RBI Panel on Asset Securitisation

527. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India Panel on Asset Securitisation has suggested to enact securitisation legislation;

(b) if so, details of suggestions made; and